

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1663 - HB 1512**

February 21, 2014

**SUMMARY OF BILL:** Requires the appropriate health-related boards to require applicants for licensure to submit to fingerprinting and a criminal history background check, as well as any convictions under federal or state law related to any controlled substance. Requires any healthcare practitioner to notify such practitioner's licensing board within 10 days of starting or ending work at a management clinic. Specifies that a pain clinic may be deemed a public nuisance and for an order of abatement to be issued if two or more violations occur at a particular clinic. Requires a health provider to inform the Department of Health with a statement as to whether or not such practitioner prescribes controlled substances. Provides for certain environments in which a medical practitioner may prescribe Schedule II or III drugs. Requires practitioners that are no longer able to prescribe Schedule II or III drugs, to provide any undispensed drugs to local law enforcement agencies. Requires wholesalers to buy back any undispensed Schedule II or III drugs that are in the manufacturer's original packaging, unopened, and in date, in accordance with the established policies of the wholesaler or the contractual terms between wholesaler and the practitioner concerning returns. This act shall take effect on January 1, 2015.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue - \$6,300/FY14-15/TBI  
\$12,600/FY15-16 and Subsequent Years/TBI**

**Increase State Expenditures - \$6,300/FY14-15/TBI  
\$12,600/FY15-16 and Subsequent Years/TBI**

**Assumptions:**

- According to the Department of Health, the cost for a background check will be borne by the applicant for licensure.
- There are approximately 300 applicants to health related boards per year with a 10 percent turnover rate.
- The Tennessee Bureau of Investigation (TBI) can perform a criminal background check for \$42 each.
- This bill will take effect on January 1, 2015, or half of FY14-15.
- In FY14-15, TBI will conduct 150 (300 / 2) background checks resulting in revenue of \$6,300 (150 x \$42).

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- In FY15-16, TBI will conduct 300 background checks resulting in revenue of \$12,600 (300 x \$42).
- According to TBI, any revenue received from applicants for background checks will result in offsetting expenditures, for a not significant net impact to the state.
- Requiring wholesaler to purchase unused, unopened, Schedule II or III drugs, will have no significant impact on state government.
- Any increase in workload of the Department of Health will not be significant and can be accommodated within existing resources.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" and last name "Geise" clearly distinguishable.

Lucian D. Geise, Executive Director

/jdb